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United States Senate

WASHINGTON, DC 20510

August 19, 2016

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FOREIGN RELATIONS

Chairman Tom Wheeler Federal Communications Commission 445 12th Street, S.W. Washington, D.C. 20554

Dear Chairman Wheeler:

I am writing to express my concern over recent service disruptions that have occurred between local television broadcasters and satellite providers. In particular, I am troubled by the impasse in negotiations that occurred last week between ATT/DIRECTV and Heartland Media, LLC/USA Television Holdings, LLC ("Heartland"), two Georgia-based companies.

The difference in size as the potential root cause of stations going off the air with the satellite carriers was highlighted in the past week when Georgia-based Heartland was forced off the air by ATT/DIRECTV last Wednesday evening. It appears that Heartland has offered to resolve their dispute with ATT/DIRECTV by accepting fees that are 18% lower than retransmission fees ATT/DIRECTV is already paying to retransmit other broadcasters, with lesser-rated stations, in the same Designated Market Areas as Heartland. In addition, ATT/DIRECTV has refused to accept contract terms that have been agreed to by every other major carrier in the retransmission industry. My understanding is that ATT/DIRECTV's only response for its bargaining position is that Heartland, with five stations (each of which is the highest-rated station in its respective market), is too small to insist upon terms that ATT/DIRECTV has agreed to with stations owned by larger broadcasters in the same markets as Heartland.

The foregoing does not appear to me to satisfy the "good faith" bargaining obligations imposed on the parties by controlling federal statutes and regulations, and I am requesting that you look into not only the specific negotiations involving Heartland, but also the broader issue involved in retransmission negotiations. I am only interested in seeing that the playing field is level and that the requirements of the statutes and regulations are followed.

Thank you in advance for your attention to this matter.

Sincerely

Johnny Isakson

cc: Michael D. White, President, Chairman and Chief Executive Officer ATT/DIRECTV Robert S. Prather, Jr., President and CEO Heartland Media, LLC/USA Television Holdings, LLC



## FEDERAL COMMUNICATIONS COMMISSION WASHINGTON

October 3, 2016

The Honorable Johnny Isakson United States Senate 131 Russell Senate Office Building Washington, D.C. 20510

Dear Senator Isakson:

Thank you for your letter expressing concern regarding the retransmission consent dispute between Heartland Media and AT&T/DirectTV. As you know, this dispute has been resolved.

Congress, in Section 325 of the Communications Act, sought to reduce the likelihood that TV viewers would be disadvantaged by contract disputes between broadcasters and multichannel video programming distributors (MVPDs). The law requires broadcasters and MVPDs to negotiate for retransmission consent in good faith. Congress gave the Commission the authority to keep an eye on these negotiations, and our rules include a framework to determine whether broadcasters and MVPDs are negotiating in good faith.

Many broadcasters and MVPDs take that responsibility seriously and conclude hundreds of retransmission consent deals without interruption. And this process is entirely invisible to their viewers – as it should be. That's not to say, however, that impasses like the one between Heartland Media and AT&T/DirecTV won't happen. And when they do, I am prepared to use the authority Congress has conferred on the Commission to help to bring negotiations to a conclusion.

At this time, I am aware of no evidence to suggest that either party violated our rules, and I am pleased that the parties resolved their dispute. Please let me know if I can be of any further assistance.

Sincerely,

Tom Wheeler